President's News Conference on Foreign and Domestic Matters

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Prospects for Economy

Need for B-1 Bomber

Need for B-1 Bomber
Q. Mr. President, some members of
Congress say that this B-1 bomber you
want to build is a flying Edsel. The
Congressional Budget Office says that
will cost twice as much as your peotary of Defense calculates that its usetary of Defense calculates that its usetary of Defense calculates that its useit from penetrating Soviet air space
would be about foir years. Are you
going to reconsider? Do we really need
A. Sam, we we do. Delieve that this

OPENING STATEMENT

OPENING STATEMENT

Ladies and gentlemen, I have an opening statement. The method of the control Ladies and gentlemen, I have an opening statement:

From the day our Administration Took office, out top priority has been to receive this economy from years of Government mismanagement. We include the Civil War; the first back-to-back years of double-digit inflation since World War I; rising budget deficits and a national debt ready to break through the trillion-dollar barrier.

For years, Government speeding the underlying economy. The American people elected us to reverse that trend and that's what we've begun to do.

stend and that's what we've begun to
_Our program has only been in effect
for some 60 days, and you can't cure 40
years of problems in that short time,
years of problems in that short time,
datin for economic recovery in 1922,
_We said we would cut taxes and
we've enacted the biggest tax reductions in history. And let's remember
those reductions will barely offset the
build between the control of the control

Aiding El Salvador

Q. Mr. President, I'd like to foliow
up Helen's question. You mentioned El
Salvador and the importance that El
Salvador has for the United States in
this region. Yet the El Salvador Good
governillas already control almost onefourth of the land there. How far will
the United States go to keep the Duarte
Government in power?

A. Well, first of all, let me say that
there is some disagreement on a prest
mostly in power or what the guerrillas
might control.

We have been urging and hopefully
cooperating with a solution that would
pute by peaceful means. It is true the
guerrillas have switched their tactics
now. Unable to win a military victory,
they have switched them to hit-andtrun tactics against the infrastructure
down the Government by destroying the economy.

But I don't believe that we could accept without question that they are—
there may be something of a stalemate
military solution to this. But we would
prefer the other.

How far are we prepared to go? As

Nuclear Tactics

Aiding El Salvador

QUESTIONS AND ANSWERS

Limited Nuclear War

The reduction of Government speeding is the besiver and the thing that we're going to attempt, me the two re going to attempt, me the state of the same that Limited Nuclear War

Q. Mr. President, you have issued statements on limited miclear war; and the statements on limited miclear war; have all hinted at possible intervention against Qaddafi, Castro; a high state of belligerncy seems to personity your foreign policy and people say it is microscopic of the president of nuclear war? Are we going to intervene in the Caribbean or anywhere else? Are we going to provide a military sheld for Egypt if it goes into Libya? A special policy and the president of the sheld of of the shel

in humps to the lowest point possible.
Q. Well are you repudiating those memos that have been publicized in connection with Libya and the Carlbonachts in the Carlbonachts of the Carlbonachts in the Carlbonachts of the Carlbonachts in the Carlbonachts in the Carlbonachts of the Carlbonachts in the Carlbonachts of the Carlbonachts of the Carlbonachts in the Carlbonachts of the Carlbona

Economic Outlook

Economic Outlook
Q. Mr. President, A. Yes, Jim.
Q. With the deficit continuing to
grow, have you decided are you going
to try raise taxes in some way in '82,
'83 or '84? Are you going to seek furthere budget cuis? And also, now haveline and budget by '84 can't be met, when
do you expect it ose as balanced budget
and what assurances do we have that
this time it can be met?
A. Over the uncertainty. Jim. of
A. Over the uncertainty in the
balancession — which I think will take
place in the first half of '82 — I would
hesitate to try and make a specific—
set a date or an anount with regard to
budget would take place. That is still
our goal. That has to be our goal. Govemment has to return to staying
within its revenues.
I — our goal to the libelihood of
meeting it on the 1894 date has become
an unlikelihood because of underseen
changes. And again, as I say, we can't
predict when had! Ib be but we stay on
the backs of the people with tax inbalancing of a budget ould justify any
any means to attain it. You could always balance a budget if you justif you
find it's — it's like getting addicted to
drug because very time you do that, you
find it's — it's like getting addicted to
drug because the very fact of these
tax increases then reduces the prostion further and you find thay you need
more of the same and more of the
same: You'll reach a point of no return.

de between now and used that were opposed in the provided in provi

President Asks Press to Reflect

Press to Reflect

Specials To New York Tisses

WASHINGTON, Nov. 10

President Reagan has suggested
for the second time in a week that
reporters consider whether news
reports critical of this Administratorreign policy efforts.

Last week, and reports of Secretary of State Alexander M. Haig
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ilist" and had "one foot on a ba-nana peel."
Mr. Gergen alerted Mr. Haig to the column. Mr. Haig called Mr. Anderson to complain that his en-tered to the complain that his en-were waging a "guerrilla cam-paign" against him. And, at Mr. Haig's request, the President also called the columnist to express his support for the Secretary of State.

have to recognize, and why our goal must be to seek peace, is what someone said the other day: If war comes, freed with inevitable defeat, take that defeat without turning to the ultimate weapon. And this is part of the danger and why we're going to pursue arms of the weapon. And the state of the seek of

Using Saudi Peace Plan

Using Saudi Peace Pian
Q. Mr. President, I wonder if there's
any portion of the Saudi eight-point
peace plan that could be incorporated
in the American peace inition
and the saudi eight-point
peace plan that could be incorporated
in the American peace inition.
A One in particularly—I know that
there is also some dispute about what
I'm going to say between the parties
catactal previously that I believe that
it's implicit in the offering of that plan
—recognition of Israel's right to exist
as a nation. And this has been one of
the sticking points so far with the Arab
was on offer of a plan, whether you
agreed with it or not, that indicated the
was an offer of a plan, whether you
agreed with it or not, that indicated the
willingness to negotiate, which it does
in the other part, and the other point in
the plan is that one of the eight points
calls for all of the states of the region
living together in peace, and I think we
all endorse that.

blacks and other minorities in this country?

A Yes, there is, And that problem is not new with this Administration. As you know, the unemployment in mi-norities has been greater always than it is with the majority, the white com-

morning has been given a ways to community.

And I don't think — we've lumps, and the figures together into one figure, let's say, for black unemployment, light of the figures together into one figure, let's say, for black unemployment, light of the figures together into one figure, let's say, for black unemployment, light of the figures together toget

Cuts in Social Services

two?

A. Let me answer it this way: I think that the most realistic approach is the one that we are taking, which is the attempt to bring peace in the Middle East must be based on the Camp David accords and 242 Resolution of the United Nations.

Cuts in Social Services

Q. Mr. President, while you have
made no decisions yet on your entitlement cuts for 1983 and '84, what is your
feeling in principle about the cuts that
have been proposed to reduce Media
and Medicare beseries, and also
seek jobs. Does that mean that the social safety net is really in tatters?

Q. No, it isn't. And the main goal in
any of these reductions is still aimed at
correcting those abuses that come
any of these reductions is still aimed at
correcting those abuses that come
regulations to allow people who do not
have real need that justifies their inposing on their fellow citizens for
sustenance — for them to still be able
to take advantage of these programs.

I want to help. At the same time, when
you asy to force someone to go out and
seek work — I think that the whole target of some of our social reforms like
welfare always should have been to
find a way to salwage those people and
may the proper that the solution of the covermment.

And let me just give an example

Prospects for Economy
Q. Mr. President, your Secretary of
the Treasury, Donald Regan, yesterday gave a rather pessimistic view of
the treasury. Donald Regan, yesterday gave a rather pessimistic view
of the conomy? Are we in for a real
downer that we are facing. Do you share his pessimistic view
of the economy? Are we in for a real
downer in your opinion?

Are well not a real
downer. I think
that we're going to have some hard
times for the next few months. I think
we're going to see a pick in the econtimes for the next few months. I think
we're going to see a pick in the econlieves this also in spring, or latest,
early summer of 1982. The interest
rates, as you know, have come down
three and a half points since Septemcauses of our stepping into a recession.
But while we had predicted, as you
we refer to it as a soggy economy and
we refer to it as a soggy economy and
we refer to it as a soggy economy and
we refer to it as a soggy economy and
we refer to it as a soggy economy and
to had predicted the stepping over into
recession. And it has changed some of
the estimates and obviously—witness
our second question here about where

Patt I think all of us are agreed that

mass tnem sett-sustanting. Instead of perpetuating them surt the third and found to the continuous continuous and the setting of the setting the estimates and obviously—witness our second question here about where we are going.

"But I min all to use re greed that "But I min all to one out of it in the next several months and we believe as our economic program starts to work and has more than 40 days behind it, the oncoming tax cuts will take place that are scheduled for next July and offerth, we think are going to bring about the reduction of unemployment and the stimulation of processively all the starts of the producers cost index that has just recently come to us.

ing, so I can't give you summer.

Q. Well, how do you feel about them?

A. I feel that we have to look at these programs to see what we can do. But the seed of th

Details of Budget Plans

it mon penetrating soviet air space would be about four years. Are you good be about of years. Are you go the B-12 was a space of the penetrating which has been halided at the moment as the one that could be our craft for carrying missiles and penetrating, which has been halided at the moment as the one that could be our craft for carrying missiles and penetrating, which has been halided at the moment as the one that could be our craft for carrying missiles and penetrating, which has been halided at the moment as the one that the carries anywhere from one-and-a-half carries. The B-1 has a target on radar that's only a fraction of that of the B-32 and it has greater speed. But the problem that the penetrating which has been shall be problem that the penetrating which has been shall be pened and the development of the new tactical bomber. That is only in a state of maning between what has to be the ultimate use of the B-32, with their again the development of the new tactical bomber. That is only in a state of the penetrating that the B-1 would fill. But the very fact that its one missing the penetrating that the B-1 would fill. But the very fact that its one missing the eliminated in a few years' time—the end of that gap as hopefully the other purposes and functions for which it can be used so it inn't a total loss.

As to the figure given by Congress, Cay Weinberger was my finance discontinuation of the period of the period of the purposes and functions for which it can be used so it isn't a total loss.

As to the figure given by Congress, Cay Weinberger was my finance discontinuation of the period of the perio Details of Budget Plans
Q. Mr. President, you say you want
to stay on course with your Sept. 24
program but there's some confusion
about what remains of that program,
which was not been seen to be the public or the Congress. Your
entitlement program, for instance, are
you going to drop that as reported till
January? The 33 billion in tur ince. A. George, we'll be talking about
whether there's going to be or should
be any revenue changes in January
But also the entitlements — and it
we'll be talking about
way—those too will be presented in
January with the budgeting process
for '83, but those programs were never
intended to go into effect until late in
will be—if that is the route we take—
they will be in time for when they were
originally scheduled.
The, problem has
one discussions with our leaders in
Congress—that we just can't it be best
when the produce or get anything done by Congress in
this interin period. And so it's the best
back by delaying their presentation
till January, that's when we're going
to dold.

Conflicts Among Aides

defense program to refurbish our de-fenses.

So that I am greatly encouraged for the encourage of the encou

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Medicaid Provisions

Q. Mr. President, you say you want stuy on course with your Serve serve built for that. It would have such you say the study on course with your Serve serve serve serve built for that. It would have such you say you want study on course with your Serve serve



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